

House File 590 - Introduced

HOUSE FILE 590
BY COMMITTEE ON ECONOMIC
GROWTH

(SUCCESSOR TO HSB 136)

A BILL FOR

1 An Act concerning the workforce development board, by renaming
2 the board the human capital enrichment board, modifying the
3 membership and duties of the board, and establishing a human
4 capital enrichment operations team.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 84A.1A, Code 2015, is amended to read as
2 follows:

3 **84A.1A ~~Workforce development~~ Human capital enrichment board.**

4 1. An Iowa ~~workforce development~~ human capital enrichment
5 board is created, consisting of ~~nine~~ nineteen voting members
6 ~~appointed by the governor~~ and ~~twelve~~ sixteen ex officio,
7 nonvoting members.

8 a. ~~The governor shall appoint the nine~~ The nineteen voting
9 members of the board shall consist of the following:

10 (1) The governor, or the governor's designee.

11 (2) Eighteen voting members of the ~~workforce development~~
12 human capital enrichment board to be appointed by the governor
13 for a term of four years beginning and ending as provided
14 by section 69.19, subject to confirmation by the senate,
15 ~~and the.~~ The governor's appointments shall include persons
16 knowledgeable in the area of workforce development. Of the
17 ~~nine~~ eighteen voting members appointed by the governor, one
18 member shall represent chief elected officials of cities and
19 counties, one member shall represent a nonprofit organization
20 involved in workforce development services, ~~four~~ ten members
21 shall represent employers, and ~~four~~ six members shall represent
22 nonsupervisory employees. Of the members appointed by the
23 governor to represent nonsupervisory employees, two members
24 shall be from statewide labor organizations, one member shall
25 be an employee representative of a labor management council,
26 and one member shall be a person with experience in worker
27 training programs. The governor shall consider recommendations
28 from state business organizations and state trade associations
29 for members representing employers, and from statewide labor
30 organizations for the members representing nonsupervisory
31 employees. Not more than ~~five~~ nine of the voting members shall
32 be from the same political party.

33 b. The ex officio, nonvoting members are four legislative
34 members; one president, or the president's designee, of the
35 university of northern Iowa, the university of Iowa, or Iowa

1 state university of science and technology, designated by the
 2 state board of regents on a rotating basis; one representative
 3 from the largest statewide public employees' organization
 4 representing state employees; one president, or the president's
 5 designee, of an independent Iowa college, appointed by the
 6 Iowa association of independent colleges and universities;
 7 one superintendent, or the superintendent's designee, of
 8 a community college, appointed by the Iowa association of
 9 community college presidents; one representative of the
 10 vocational rehabilitation community appointed by the state
 11 rehabilitation council in the division of Iowa vocational
 12 rehabilitation services; one representative of the department
 13 of education appointed by the state board of education; one
 14 representative for primary and secondary education appointed
 15 by the state board of education; one representative appointed
 16 by the governor's science, technology, engineering, and
 17 mathematics advisory council; one representative of the
 18 economic development authority appointed by the director; the
 19 director of the department of workforce development or the
 20 director's designee; the executive director of the college
 21 student aid commission or the executive director's designee;
 22 and one representative of the United States department of
 23 labor, office of apprenticeship. The legislative members are
 24 two state senators, one appointed by the president of the
 25 senate after consultation with the majority leader of the
 26 senate, and one appointed by the minority leader of the senate
 27 from their respective parties; and two state representatives,
 28 one appointed by the speaker of the house of representatives
 29 after consultation with the majority leader of the house of
 30 representatives, and one appointed by the minority leader of
 31 the house of representatives from their respective parties.
 32 The legislative members shall serve for terms as provided in
 33 section 69.16B.

34 2. A vacancy on the ~~workforce development~~ human capital
 35 enrichment board shall be filled in the same manner as regular

1 appointments are made for the unexpired portion of the regular
2 term.

3 3. ~~The workforce development board shall meet in May of each~~
4 ~~year for the purpose of electing one of its voting members as~~
5 ~~chairperson and one of its voting members as vice chairperson.~~
6 ~~However, the chairperson and the vice chairperson shall not~~
7 ~~be from the same political party. The workforce development~~
8 human capital enrichment board shall meet at the call of the
9 chairperson or when ~~any five~~ a majority of the voting members
10 of the ~~workforce development~~ human capital enrichment board
11 file a written request with the chairperson for a meeting.
12 Written notice of the time and place of each meeting shall be
13 given to each member of the ~~workforce development~~ human capital
14 enrichment board. A majority of the voting members constitutes
15 a quorum. The governor shall designate the chairperson of the
16 board from one of the voting members representing employers and
17 a vice chairperson from any of the voting members of the board
18 who shall serve for a two-year term.

19 4. Members of the ~~workforce development~~ human capital
20 enrichment board, the director of the department of workforce
21 development, and other employees of the department of workforce
22 development shall be allowed their actual and necessary
23 expenses incurred in the performance of their duties. All
24 expenses shall be paid from appropriations for those purposes
25 and the department of workforce development is subject to the
26 budget requirements of chapter 8. Each member of the ~~workforce~~
27 ~~development~~ human capital enrichment board may also be eligible
28 to receive compensation as provided in section 7E.6.

29 5. If a member of the ~~workforce development~~ human capital
30 enrichment board has an interest, either direct or indirect,
31 in a contract to which the department of workforce development
32 is or is to be a party, the interest shall be disclosed to
33 the ~~workforce development~~ human capital enrichment board in
34 writing and shall be set forth in the minutes of a meeting of
35 the ~~workforce development~~ human capital enrichment board. The

1 member having the interest shall not participate in action by
2 the ~~workforce development~~ human capital enrichment board with
3 respect to the contract. This subsection does not limit the
4 right of a member of the ~~workforce development~~ human capital
5 enrichment board to acquire an interest in bonds, or limit
6 the right of a member to have an interest in a bank or other
7 financial institution in which the funds of the department
8 of workforce development are deposited or which is acting as
9 trustee or paying agent under a trust indenture to which the
10 department of workforce development is a party.

11 Sec. 2. Section 84A.1B, unnumbered paragraph 1, Code 2015,
12 is amended to read as follows:

13 The ~~workforce development~~ human capital enrichment board
14 shall do all of the following:

15 Sec. 3. Section 84A.1B, subsections 1, 2, and 3, Code 2015,
16 are amended by striking the subsections and inserting in lieu
17 thereof the following:

18 1. Develop strategies to support the use of career
19 pathways for the purpose of making available to individuals,
20 including low-skilled adults, youth, individuals with barriers
21 to employment, and individuals with disabilities, workforce
22 investment activities, education, and supportive services to
23 allow them to enter or retain employment.

24 2. Develop and expand strategies for meeting the needs
25 of employers, workers, and jobseekers, particularly through
26 industry or sector partnerships related to in-demand industry
27 sectors and occupations; and develop a comprehensive strategic
28 workforce plan for implementing specific policies that further
29 these strategies.

30 3. Develop and continuously improve the one-stop delivery
31 system in local areas, including providing assistance to local
32 boards, one-stop operators, one-stop partners, and providers
33 with planning and delivering services, including training
34 services and supportive services, in order to support effective
35 delivery of services to workers, jobseekers, and employers.

1 Sec. 4. Section 84A.1B, Code 2015, is amended by adding the
2 following new subsection:

3 NEW SUBSECTION. 3A. Perform duties related to human capital
4 enrichment as provided in section 84A.2.

5 Sec. 5. Section 84A.1B, subsections 7 and 8, Code 2015, are
6 amended to read as follows:

7 7. Review grants or contracts awarded by the department
8 of workforce development, with respect to the department's
9 adherence to the guidelines and procedures and the impact on
10 the ~~five-year~~ strategic plan for workforce development.

11 8. Make recommendations concerning the use of federal
12 funds received by the department of workforce development with
13 respect to the ~~five-year and twenty-year~~ workforce development
14 plans.

15 Sec. 6. Section 84A.1C, subsections 1, 2, and 3, Code 2015,
16 are amended to read as follows:

17 1. *Nonprofit corporation for receiving and disbursing*
18 *funds.* The ~~Iowa workforce development~~ human capital enrichment
19 board may organize a corporation under the provisions of
20 chapter 504 for the purpose of receiving and disbursing funds
21 from public or private sources to be used to further workforce
22 development in this state and to accomplish the mission of the
23 board.

24 2. *Incorporators.* The incorporators of the corporation
25 organized pursuant to this section shall be the chairperson
26 of the ~~Iowa workforce development~~ human capital enrichment
27 board, the director of the department of workforce development,
28 and a member of the ~~Iowa workforce development~~ human capital
29 enrichment board selected by the chairperson.

30 3. *Board of directors.* The board of directors of the
31 corporation organized pursuant to this section shall be
32 the members of the ~~Iowa workforce development~~ human capital
33 enrichment board or their successors in office.

34 Sec. 7. NEW SECTION. 84A.2 Human capital enrichment.

35 1. *Findings and purpose.*

1 a. The general assembly finds all of the following:

2 (1) That aligning education, workforce, and economic
3 development policies will result in a holistic, career-focused
4 approach that will help the state meet the needs of employers,
5 grow family incomes, improve the skills of both individuals and
6 the workforce generally, and make communities more vibrant and
7 attractive places to live.

8 (2) That the alignment of education, workforce, and
9 economic development policies can be more effectively achieved
10 by building on the state's foundation of innovative workforce
11 and education programs to further improve collaboration between
12 the public and private sectors.

13 b. Therefore, it is the purpose of this section to
14 implement the better alignment of education, workforce, and
15 economic development policies through the collaboration of
16 representatives from the public and private sectors through
17 the human capital enrichment board and by establishing a human
18 capital enrichment operations team as provided in this section.

19 2. *Human capital enrichment board.*

20 a. The human capital enrichment board, in conjunction with
21 the human capital enrichment operations team, shall do all of
22 the following as it relates to human capital enrichment:

23 (1) Review, on a continuing basis, all of the education,
24 workforce training, and economic development programs
25 administered by state government. A program is subject to
26 review by the human capital enrichment board upon majority
27 vote of the members of the human capital enrichment board. In
28 reviewing programs, the human capital enrichment board shall,
29 to the greatest extent possible, utilize data and research in
30 order to make objective, data-driven recommendations.

31 (2) Act as a forum where issues affecting the business,
32 education, workforce, and economic development communities
33 can be discussed and addressed, and where collaborative
34 relationships can be formed. In addition, assist in the
35 development of networks to further the purposes of the human

1 capital enrichment board as it relates to human capital
2 enrichment.

3 (3) Assist in advising state agencies, community colleges,
4 regents institutions, and political subdivisions on the
5 administration and improvement of education, workforce
6 training, and economic development programs they administer.

7 (4) Study and recommend strategies and tactics for aligning
8 economic development, workforce, and education policies
9 that can be implemented by state government, including
10 comprehensively communicating a shared vision to relevant
11 stakeholders.

12 (5) Make recommendations to the general assembly as
13 necessary for changes to law or public policy in order to help
14 better align economic development, workforce, and education
15 programs.

16 (6) Coordinate with personnel of the division of vocational
17 rehabilitation services of the department of education and
18 other departments or agencies, and other relevant stakeholders,
19 as deemed appropriate, to further the purposes of the human
20 capital enrichment board as it relates to human capital
21 enrichment.

22 (7) In conjunction with the operations team, conduct
23 research, compile data, and draft documents that provide
24 background information for use in decision making by the
25 general assembly, the governor, state agencies, community
26 colleges, the state board of regents, and other policymaking
27 bodies within state government. Prior to the human capital
28 enrichment operations team engaging in any of the activities
29 described in this subparagraph, the board shall vote by a
30 majority vote to approve these activities. Additionally, once
31 the research activities are completed, the board shall review
32 and approve by a majority vote the findings of these activities
33 before the findings are shared with the decision makers listed
34 in this subparagraph.

35 b. In performing its duties as it relates to human capital

1 enrichment, the board shall only recommend those policies
2 and alignment strategies that are designed to do all of the
3 following:

4 (1) Provide workers the skills they need to have rewarding
5 careers in a dynamic, global economy.

6 (2) Improve the state's talent supply to provide employers
7 with more and better trained workers.

8 (3) Deliver programs and services efficiently and in a
9 manner that provides taxpayers with the best return for the tax
10 dollars spent.

11 3. *Human capital enrichment operations team.*

12 a. The directors of the economic development authority
13 and the departments of management, education, and workforce
14 development shall establish a human capital enrichment
15 operations team to assist the human capital enrichment board as
16 it relates to human capital enrichment.

17 b. (1) The operations team shall be comprised of staff
18 members appointed by the directors of the economic development
19 authority and the departments of management, education, and
20 workforce development.

21 (2) The director of the department of workforce development
22 shall designate the person to coordinate and lead the
23 operations team.

24 c. The operations team shall do all of the following:

25 (1) Coordinate and staff the activities of the human capital
26 enrichment board as it relates to human capital enrichment.

27 (2) Facilitate and coordinate all research, reports, data,
28 analysis, and recommendations associated with the operations
29 team and its purposes.

30 (3) Provide regular updates to the human capital enrichment
31 board on the status of activities of the operations team and
32 the progress made in aligning programs pursuant to the purposes
33 of this section.

34 d. Staffing and administrative costs for the operations
35 team shall be provided by the department of management,

1 the department of education, the department of workforce
2 development, and the economic development authority.

3 Sec. 8. Section 84A.4, subsection 2, Code 2015, is amended
4 to read as follows:

5 2. Each regional advisory board shall identify workforce
6 development needs in its region, assist the ~~workforce~~
7 ~~development~~ human capital enrichment board and the department
8 of workforce development in the awarding of grants or contracts
9 administered by the department of workforce development in that
10 region and in monitoring the performance of the grants and
11 contracts awarded, make annual reports as required by section
12 84A.1B, and make recommendations to the ~~workforce development~~
13 human capital enrichment board and department of workforce
14 development concerning workforce development.

15 Sec. 9. Section 84A.5, unnumbered paragraph 1, Code 2015,
16 is amended to read as follows:

17 The department of workforce development, in consultation
18 with the ~~workforce development~~ human capital enrichment
19 board and the regional advisory boards, has the primary
20 responsibilities set out in this section.

21 Sec. 10. Section 84A.5, subsection 9, unnumbered paragraph
22 1, Code 2015, is amended to read as follows:

23 The department of workforce development, in consultation
24 with the applicable regional advisory board, shall select
25 service providers, subject to approval by the ~~workforce~~
26 ~~development~~ human capital enrichment board for each service
27 delivery area. A service provider in each service delivery
28 area shall be identified to coordinate the services throughout
29 the service delivery area. The department of workforce
30 development shall select service providers that, to the extent
31 possible, meet or have the ability to meet the following
32 criteria:

33 Sec. 11. Section 84A.6, subsection 1, Code 2015, is amended
34 to read as follows:

35 1. The department of workforce development, in consultation

1 with the ~~workforce development~~ human capital enrichment
 2 board and the regional advisory boards, the department of
 3 education, and the economic development authority shall work
 4 together to develop policies encouraging coordination between
 5 skill development, labor exchange, and economic development
 6 activities.

7 Sec. 12. Section 84B.2, Code 2015, is amended to read as
 8 follows:

9 **84B.2 Workforce development centers — location.**

10 A workforce development center, as provided in section
 11 84B.1, shall be located in each service delivery area. Each
 12 workforce development center shall also maintain a presence,
 13 through satellite offices or electronic means, in each county
 14 located within that service delivery area. For purposes of
 15 this section, "*service delivery area*" means the area included
 16 within a merged area, as defined in section 260C.2, realigned
 17 to the closest county border as determined by the department
 18 of workforce development. However, if the ~~state workforce~~
 19 ~~development~~ human capital enrichment board determines that
 20 an area of the state would be adversely affected by the
 21 designation of the service delivery areas by the department,
 22 the department may, after consultation with the applicable
 23 regional advisory boards and with the approval of the ~~state~~
 24 ~~workforce development~~ human capital enrichment board, make
 25 accommodations in determining the service delivery areas,
 26 including, but not limited to, the creation of a new service
 27 delivery area. In no event shall the department create more
 28 than sixteen service delivery areas.

29 **EXPLANATION**

30 The inclusion of this explanation does not constitute agreement with
 31 the explanation's substance by the members of the general assembly.

32 This bill concerns the workforce development board, by
 33 renaming the board the human capital enrichment board,
 34 modifying the membership and duties of the board, and creating
 35 a human capital enrichment operations team.

1 Code section 84A.1, establishing the workforce development
2 board, is amended by renaming the board as the Iowa human
3 capital enrichment board. The bill increases the voting
4 members of the board from nine to 19. Additional members
5 include the governor or the governor's designee and one
6 member who represents chief elected officials of cities and
7 counties. In addition, the number of members representing
8 employers is increased from four to 10 and the number of
9 members representing nonsupervisory employees is increased from
10 four to six. The bill also provides that the governor consider
11 recommendations from state business organizations and state
12 trade associations for members representing employers. The
13 bill also increases the number of ex officio, nonvoting members
14 of the board from 12 to 16. The four additional nonvoting
15 members are one representative for primary and secondary
16 education appointed by the state board of education, one
17 representative appointed by the governor's science, technology,
18 engineering, and mathematics advisory council, the director
19 of the department of workforce development or the director's
20 designee, and the executive director of the college student
21 aid commission or the executive director's designee. The bill
22 requires that the governor designate the chairperson of the
23 board from the voting members representing employers and a vice
24 chairperson from any of the voting members of the board, each
25 for a two-year term.

26 Code section 84A.1B, concerning the duties of the renamed
27 board, is amended. Current provisions requiring the board
28 to develop a 20-year comprehensive workforce development
29 plan and a five-year strategic plan for state workforce
30 development are stricken. Instead, the bill directs the board
31 to develop strategies to support the use of career pathways for
32 low-skilled adults, youth, and other individuals with barriers
33 to employment. In addition, the bill requires the board to
34 develop strategies to meet the needs of employers, workers, and
35 jobseekers, and to develop and improve the one-stop delivery

1 system in local areas to support the effective delivery of
2 services to employers, workers, and jobseekers.

3 New Code section 84A.2 establishes the duties of the renamed
4 board relating to human capital enrichment and establishes a
5 human capital enrichment operations team. Such duties require
6 the board to review education, workforce training, and economic
7 development programs administered by state government; act
8 as a forum for discussing education, workforce training, and
9 economic development issues; assist state agencies; study and
10 recommend strategies for aligning education, workforce, and
11 economic development policies; make recommendations to the
12 general assembly; and, in conjunction with the operations team,
13 conduct research on human capital enrichment issues.

14 The bill also directs the directors of the economic
15 development authority and the departments of management,
16 education, and workforce development to establish a human
17 capital enrichment operations team to assist the human capital
18 enrichment board as it relates to human capital enrichment.
19 The operations team shall be directed by a person designated by
20 the director of the department of workforce development. The
21 bill requires that the operations team, as it relates to human
22 capital enrichment, coordinate and staff the activities of the
23 board; facilitate and coordinate all research, reports, data,
24 analysis, and recommendations associated with the board; and
25 provide updates to the board on the status of activities of the
26 operations team and the progress made in aligning programs as
27 it relates to the purposes of the new Code section.